KPMG

Consolidated Financial Statements of

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Year ended March 31, 2000

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AUDITORS' REPORT TO THE MEMBERS

We have audited the consolidated balance sheet of Saskatchewan Indian Gaming Authority Inc. as at March 31, 2000 and the consolidated statements of operations, uncommitted net proceeds of table operations and cash flows for the year then ended. These financial statements are the responsibility of the authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the authority as at March 31, 2000 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants

Saskatoon, Saskatchewan

May 19, 2000
except for notes 3, 10 and 13
which are as of March 15, 2001

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SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Consolidated Balance Sheet

March 31, 2000, with comparative figures for 1999

	2000	1999
Assets		
Current assets:		
Cash and cash floats	$ 5,525,580	$ 4,393,017
Accounts receivable (notes 3 and 13)	1,161,474	985,771
Inventory	473,477	345,507
Prepaid expenses	393,400	363,712
Deposits	27,848	127,949
	7,581,779	6,215,956
Capital assets (note 4)	6,776,369	7,889,207
	$ 14,358,148	$ 14,105,163
Liabilities and Surplus		
Current liabilities:		
Due to Saskatchewan Liquor and Gaming Authority (note 5)	$ 5,396,146	$ 6,396,873
Accounts payable and accrued liabilities	8,864,510	7,575,785
Current portion of obligation under capital lease (note 6)	20,054	35,013
	14,280,710	14,007,671
Obligation under capital lease (note 6)	–	20,054
Surplus:		
Uncommitted net proceeds of table operations	77,438	77,438
Commitments (note 9)		
Contingencies and subsequent events (note 13)		
	$ 14,358,148	$ 14,105,163

See accompanying notes to consolidated financial statements.

On behalf of the Board:

Director

Director

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Consolidated Statement of Operations

Year ended March 31, 2000, with comparative figures for 1999

	2000	1999
Revenues:		
Slot revenues	$ 65,566,695	$ 59,732,381
Table revenues	6,774,902	6,280,875
Ancillary operations (schedule 2)	4,633,155	3,563,357
Other revenues (note 7)	292,702	278,498
	77,267,454	69,855,111
Expenditures:		
Salaries and benefits	23,636,418	21,177,150
Advertising and promotion	12,315,446	10,956,452
General and administrative (schedule 1)	8,239,277	6,071,332
Ancillary operations (schedule 2)	6,463,224	4,833,329
Equipment rental	3,488,614	3,317,114
Goods and services tax	2,039,999	670,903
Building rent	1,968,512	1,876,685
Consulting (note 8)	1,577,626	1,281,055
Saskatchewan Indian Gaming Licensing fees	875,000	1,070,171
Provision for doubtful accounts (note 13)	680,409	–
Site development costs	677,816	–
Board expenses	521,917	397,883
Uniforms and drycleaning	510,980	395,411
Repairs and maintenance	364,828	262,791
Staff training	287,124	231,198
Gaming supplies	136,452	159,878
Security	76,884	67,998
Cash over/short	10,127	(218)
Interest	9,292	33,692
Interest on long-term debt	6,833	35,396
Gain on sale of capital assets	(3,584)	(2,095)
	63,883,194	52,836,125
Excess of revenues over expenditures	$ 13,384,260	$ 17,018,986
Allocated as follows:		
Excess of slot revenues over expenditures payable to Saskatchewan Liquor and Gaming Authority	$ 13,384,260	$ 17,018,986
Excess of table revenues over expenditures retained for charitable or religious purposes	–	–
	$ 13,384,260	$ 17,018,986

See accompanying notes to consolidated financial statements.

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Consolidated Statement of Uncommitted Net Proceeds of Table Operations

Year ended March 31, 2000, with comparative figures for 1999

	2000	1999
Balance, beginning of year	$ 77,438	$ 77,438
Deficiency of table revenues over expenditures	(490,914)	(926,835)
	(413,476)	(849,397)
Deficiency of table operations allocated to slot operations	490,914	926,835
Balance, end of year	$ 77,438	$ 77,438

See accompanying notes to consolidated financial statements.

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Consolidated Statement of Cash Flows

Year ended March 31, 2000, with comparative figures for 1999

	2000	1999
Cash flows from (used in):		
Operations:		
Excess of revenues over expenditures	$ 13,384,260	$ 17,018,986
Items not involving cash:		
Amortization	4,963,088	3,047,867
Gain on sale of capital assets	(3,584)	(2,095)
Change in non cash operating working capital:		
Accounts receivable	(175,703)	(582,206)
Inventory	(127,970)	(203,806)
Prepaid expenses	(29,688)	1,719
Deposits	100,101	(73,765)
Accounts payable and accrued liabilities	1,288,725	1,390,283
	19,399,229	20,596,983
Financing:		
Repayment of long-term debt	(35,013)	(659,965)
Investing:		
Purchase of capital assets	(3,961,526)	(4,377,501)
Proceeds on sale of capital assets	114,860	24,830
	(3,846,666)	(4,352,671)
Other:		
Transfer of funds to Saskatchewan Liquor and Gaming Authority	(14,384,987)	(18,485,042)
Increase (decrease) in cash	1,132,563	(2,900,695)
Cash, beginning of year	4,393,017	7,293,712
Cash, end of year	$ 5,525,580	$ 4,393,017

Cash consists of cash and cash floats.

See accompanying notes to consolidated financial statements.

1. General information:

Saskatchewan Indian Gaming Authority Inc. ("SIGA") is incorporated under the Non-profit Corporations Act of Saskatchewan as a Charitable Corporation. The Federation of Saskatchewan Indians Inc. ("FSIN") owns the only issued Class A Membership in SIGA. Class B Memberships in SIGA were issued to each of nine Tribal Councils in Saskatchewan that are recognized by the Saskatchewan Indian Gaming Commission of the FSIN. SIGA operates casinos in accordance with the Casino Operating Agreement between itself and the province of Saskatchewan.

The Casino Operating Agreement was signed on November 24, 1995 and will expire on March 31, 2001. SIGA opened the Gold Eagle Casino in North Battleford and the Northern Lights Casino in Prince Albert in March of 1996. The Bear Claw Casino near Carlyle and the Painted Hand Casino in Yorkton were opened in November and December of 1996 respectively.

The Casino Operating Agreement generally provides for SIGA to remit to the Saskatchewan Liquor & gaming Authority ("SLGA") the net proceeds from the operation of the slot machines in the SIGA casinos. Net proceeds from the operation of slot machines are remitted to SLGA in accordance with a formula as defined in the Agreement. This formula provides for SIGA to remit to SLGA, on a weekly basis, one-half of the amount by which actual slot machine gaming revenue exceeds one-fifty-second of annual budgeted expenses from operations. Shortfalls in weekly slot machine gaming revenue as compared to budgeted expenses are recoverable against future remittances. The remaining one-half of the amount determined above is to be remitted to SLGA within one-hundred and eighty days of the applicable week. Revenue from licensed table games, to the extent revenue is less than expenses related to licensed table games, is to be remitted to SLGA within ninety days following the end of each year. Where revenue from licensed table games exceeds expenses related to licensed table games, the excess may be retained by SIGA. Pursuant to this Agreement, if, at the end of any operating year, SIGA has not been fully reimbursed for amounts to which it is entitled for operation of casinos, such amounts may be recovered from future operations.

Pursuant to the Casino Operating Agreement, SIGA is generally entitled to recover, in any year, any deficiency of revenues over expenditures from the operation of licensed table games from the net proceeds earned from the operation of slot machines. Furthermore, the Casino Operating Agreement provides for SIGA to retain any net proceeds from the operation of licensed table games for charitable or religious objects or purposes.

For the year ended March 31, 2000, the excess of revenues over expenditures from slot operations was $13,875,174 (1999 – excess of $17,945,821) and the deficiency of revenues over expenditures for licensed table games was $490,914 (1999 – deficiency of $926,835). The net excess of revenues over expenditures of $13,384,260 (1999 – excess of $17,018,986) is payable to SLGA pursuant to the Casino Operating Agreement.

1. **General information - continued:**

In accordance with the agreement between FSIN and the province of Saskatchewan signed on February 10, 1995 relating to the development of casinos in Saskatchewan, the net proceeds from SIGA casino slot operations paid to SLGA are to be distributed (through the province of Saskatchewan's General Revenue Fund) as follows:

- For casinos located on reserves, 50% to the First Nations Trust, 25% to the province of Saskatchewan's General Revenue Fund and 25% to be distributed, through the First Nations Trust, for charitable purposes related to First Nations;
- For casinos not located on reserves, 50% to the First Nations Trust, 25% to the province of Saskatchewan's General Revenue Fund and 25% to a trust fund established by the province of Saskatchewan for charitable purposes.

The agreement also has terms which provide that if certain levels of net proceeds from SIGA casino slot operations are attained, the above distribution changes from 50% to 37.5% to the First Nations Trust and from 25% to 37.5% to the province of Saskatchewan's General Revenue Fund.

As at March 31, 2000 the SIGA casinos in North Battleford and Prince Albert were not located on reserves and the SIGA casinos in Yorkton and near Carlyle were located on reserve. The SIGA casino in Yorkton attained reserve status on May 13, 1999. As at March 31, 2000 the cumulative excess (deficiency) of revenues over expenditures from slot operations for operation of SIGA casinos on reserve was as follows:

	Painted Hand	Bear Claw	Total
Balance, beginning of year	$ –	$ (1,382,873)	$ (1,382,873)
Excess (deficiency) of revenues over expenditures	2,517,553	(1,335,003)	1,182,550
Balance, end of year	$ 2,517,553	$ (2,717,876)	$ (200,323)

2. **Significant accounting policies:**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The following is a summary of significant accounting policies:

(a) Basis of consolidation:

The consolidated financial statements include the accounts of SIGA and its subsidiary companies. On consolidation, all significant intercompany transactions and balances have been eliminated.

(b) Inventory:

Inventory is recorded at the lower of cost and net realizable value.

2. **Significant accounting policies - continued:**

(c) Capital assets:

Capital assets are recorded on the balance sheet at cost. Amortization is recorded in the accounts on a straight-line basis commencing in the month the asset is put in use, at rates expected to amortize the cost of the assets over the lesser of the remaining term of the Casino Operating Agreement or their estimated useful lives as follows:

Asset	Rate
Leasehold improvements	term of lease
Security equipment	5 years
Gaming tables and equipment	5 years
Signage and interior design	5 years
Office furniture and equipment	5 years
Coin handling equipment	5 years
Computer equipment	5 years
Restaurant equipment	5 years
Automobiles	4 years
Artwork	5 years
Computer software	1 year

(d) Slot and table revenues:

Slot and table revenues represent the net win from those gaming activities calculated as the difference between amounts wagered and prizes paid by the casino.

(e) Commitment of net proceeds of table operations:

Liabilities are recorded when amounts are committed by the Board of Directors.

(f) Goodwill:

Goodwill is recorded at cost. Amortization is recorded in the accounts on a straight-line basis commencing in the month of acquisition at a rate expected to amortize the cost of the goodwill over the remaining term of the Casino Operating Agreement.

(g) Allocation of expenditures:

(i) Table operations

Expenditures allocated to table operations include actual direct expenditures, an allocation of indirect expenditures based on the percentage of table revenues to total revenues on an individual casino site basis and a fixed portion of head office overhead.

2. Significant accounting policies - continued:

(ii) Slot machine operations

Expenditures allocated to slot machine operations include actual direct expenditures, an allocation of indirect expenditures based on the percentage of slot revenues to total revenues on an individual casino site basis and the remaining head office overhead after deducting the fixed portion of head office overhead allocated to table operations.

Slot machine operations expenditures are allocated to individual casino sites based on actual direct slot machine expenditures of each casino site. Head office overhead related to slot machine operations is allocated to casino sites based on the percentage of each casino site's slot revenues to total slot revenues.

(h) Pension expenditures:

Employer matching contributions to the defined contribution pension plan for employees are recorded as expenditures as incurred.

(i) Use of estimates:

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates that affect the reported value of assets and liabilities and the disclosure of contingent liabilities and commitments at the date of the financial statements and the amounts of revenues and expenditures for the year then ended. The most significant estimates are related to the physical and economic lives of capital assets. Actual results could differ from those estimates.

3. Accounts receivable:

	2000	1999
Receivables (note 10)	$ 675,512	$ 471,480
Advances to suppliers, contractors and employees (note 10)	485,962	514,291
Recoverable from CEO (note 13)	680,409	–
Allowance for doubtful accounts (note 13)	(680,409)	–
	$ 1,161,474	$ 985,771

4. Capital assets:

	Cost	Accumulated Amortization	2000 Net Book Value	1999 Net Book Value
Leasehold improvements	$ 6,729,324	$ 3,894,539	$ 2,834,785	$ 3,544,023
Office furniture and equipment	2,204,968	1,117,840	1,087,128	890,590
Security equipment	1,892,525	1,304,570	587,955	832,239
Signage and interior design	1,259,706	836,614	423,092	666,220
Gaming tables and equipment	1,166,965	887,823	279,142	522,314
Restaurant equipment	815,335	282,099	533,236	366,042
Coin handling equipment	789,895	543,445	246,450	284,963
Automobiles	482,291	238,231	244,060	273,093
Computer equipment	623,579	371,559	252,020	254,390
Artwork	378,778	213,366	165,412	163,175
Computer software	99,846	55,568	44,278	5,582
	16,443,212	9,745,654	6,697,558	7,802,631
Goodwill	154,936	76,125	78,811	86,576
	$ 16,598,148	$ 9,821,779	$ 6,776,369	7,889,207

5. Due to Saskatchewan Liquor and Gaming Authority:

	2000	1999
Excess of revenues over expenditures related to slot operations	$ 13,875,174	$ 17,945,821
Deficiency of revenues over expenditures related to table operations	(490,914)	(926,835)
	13,384,260	17,018,986
Balance, beginning of year	6,396,873	7,862,929
Transfer of funds to Saskatchewan Liquor and Gaming Authority	(14,384,987)	(18,485,042)
Balance, end of year	$ 5,396,146	$ 6,396,873

6. Obligation under capital lease:

	2000	1999
Obligation under capital lease, future minimum lease payments $21,144 (1999 - $63,432) of which $1,090 (1999 - $8,365) represents interest.	$ 20,054	$ 55,067
Less current portion	20,054	35,013
	$ –	$ 20,054

7. Other revenues:

Other revenues consist of the following:

	2000	1999
Automated teller service charges	$ 225,576	$ 152,742
Interest	67,126	125,756
	$ 292,702	$ 278,498

8. Consulting expenditures:

Consulting expenditures consist of the following:

	2000	1999
Western Canada Lotteries Corporation	$ 703,419	$ 681,621
Other	612,308	474,434
Bear Claw and Associates	136,899	–
FSIN	125,000	125,000
	$ 1,577,626	$ 1,281,055

9. Commitments:

SIGA has obligations under operating leases for buildings, equipment and vehicles. The minimum lease payments required under these operating leases over the next five years are as follows:

2001	$ 2,860,054
2002	1,740,655
2003	1,100,035
2004	1,078,854
2005	1,095,572

The Casino Operating Agreement requires the province of Saskatchewan to supply slot machines and the slot management system to SIGA for use in its casinos and for SIGA to reimburse to the province of Saskatchewan the cost of these machines over the life of the operating agreement. During the year ended March 31, 2000, SIGA incurred $3,206,898 (1999 - $3,143,419) in costs payable to the province of Saskatchewan with regard to slot machines and the slot machine management system. SIGA estimates total costs for the year ended March 31, 2001, based on the number of machines currently in use, will be approximately $3,200,000.

10. Related party transactions:

Significant related parties to SIGA include FSIN, holding the Class A membership in SIGA and entities related to FSIN including Saskatchewan Indian Institute of Technologies, National Indian Financial Corporation and Saskatchewan Indian Gaming Licensing, the Tribal Councils of Saskatchewan (and their related entities) holding Class B memberships in SIGA and those First Nations with which SIGA has agreements to lease buildings and equipment. The land and buildings on which each casino is physically located are owned or leased (in the case of land located on reserve) by the local tribal council or a First Nation or entities related to the local tribal council or a First Nation. SIGA operates the individual casinos on land and in buildings leased from these related entities and is responsible for leasehold improvements. SIGA also supports other First Nations enterprises when purchasing supplies or services. Expenditures to related parties throughout the year and balances outstanding with related parties at March 31, 2000 were incurred in the conduct of normal business operations of SIGA at exchange amounts agreed upon between the parties.

10. Related party transactions - continued:

The following are balances outstanding with related parties at March 31, 2000 with comparison to the previous year:

	2000	1999
Accounts receivable and advances:		
Battlefords Tribal Council (operating as North West Nations Gaming Association and First Nations Investment Corporation)	$ 587,803	$ 310,852
Prince Albert Grand Council (operating as Prince Albert Development Corporation and Prince Albert Inn)	214,673	216,153
Sakimay First Nation (operating as Sakimay First Nations and Sakimay Trust)	135,255	135,255
White Bear First Nations	6,000	17,000
Accounts payable and accrued liabilities:		
Prince Albert Grand Council (operating as Prince Albert Development Corporation and Prince Albert Inn)	27,176	503,462
Battlefords Tribal Council (operating as 212143 Saskatchewan Ltd., North West Nations Gaming Association, First Nations Investment Corporation and First Nations Heritage Corporation)	177,349	360,592
Sakimay First Nation (operating as Sakimay Reserve Acquisitions and Sakimay Trust)	297,841	144,090
Saskatchewan Indian Gaming Licensing	218,750	120,171
Saskatoon Tribal Council	169,049	60,538
White Bear First Nations	1,511	50,502
FSIN	4,133	2,142
Saskatchewan Indian Institute of Technologies	5,528	–

North West Nations Gaming Association ("NWNGA") is disputing certain amounts included in accounts receivable and advances. SIGA and NWNGA are undertaking a process to resolve this dispute, however the results of this process are unknown at this time.

Any changes to the financial position and results of operation of SIGA that may occur as a result of this process will be accounted for in the period of settlement.

10. Related party transactions - continued:

Significant expenditures (excluding reimbursement of expenditures) to related parties throughout the year with comparison to the previous year are as follows:

	2000	1999
Battlefords Tribal Council (operating as 212143 Saskatchewan Inc., North West Nations Gaming Association, First Nations Investment Corporation and First Nations Heritage Corporation):		
Advertising and promotion (marketing contract)	$ 2,883,407	$ 1,156,741
Lease costs (operating lease)	891,189	840,950
Leasehold improvements	349,134	92,162
Capital equipment	260,000	–
Other operating expenditures	117,765	81,325
Site development costs	75,000	–
Lease costs (capital lease)	–	85,555
Consulting fees	–	21,000
Prince Albert Grand Council (operating as Prince Albert Development Corporation and Prince Albert Inn):		
Advertising and promotion (marketing contract)	3,089,817	1,078,420
Leasehold improvements	168,538	–
Other operating expenditures	32,396	17,062
Lease costs (capital lease)	–	71,418
Prince Albert Casino Ventures Inc.:		
Lease costs (operating lease)	1,000,007	973,547
Saskatchewan Indian Gaming Licensing:		
Licensing fees	875,000	1,070,171
White Bear First Nations:		
Lease costs (operating lease)	450,000	450,000
Property taxes	49,437	61,491
Sakimay First Nation (operating as Sakimay Reserve Acquisitions and Sakimay Trust):		
Lease costs (operating lease)	316,739	314,800
Peter Ballantyne Cree Nation:		
Site development costs	250,000	–
Saskatoon Tribal Council:		
Site development costs	167,728	58,038
Federation of Saskatchewan Indians, Inc.:		
Administration fee	125,000	125,000
Sponsorship of Legislative Assembly	–	200,000
National Indian Financial Corporation:		
Lease costs (operating lease)	84,000	84,000

10. Related party transactions - continued:

	2000	1999
Keeseekoose First Nation:		
Site development costs	$ 75,000	$ –
Yorkton Tribal Council:		
Site development costs	60,000	–
File Hills Qu-Appelle Tribal Council:		
Site development costs	50,088	–

11. Pension plan:

Effective April 1, 1997, SIGA established a pension plan for employees. The plan is a defined contribution plan and employee contributions to the plan are matched by SIGA on an ongoing basis. Employer contributions are recorded as expenditures when incurred and total pension expenditures for the year were $654,889 (1999 - $511,899).

12. Comparative figures:

Certain of the 1999 balances, presented for comparative purposes, have been reclassified to conform to the current year presentation.

13. Contingencies and subsequent events:

On June 20, 2000, SLGA announced the formation of an audit team to perform a special audit of SIGA. This special audit team was formed by SLGA to investigate the circumstances surrounding advances made by SIGA to its Chief Executive Officer ("CEO"), concerns of SLGA related to SIGA's contracts with related parties, conflict of interest policies and other financial and control matters within SIGA.

On November 15, 2000, the Office of the Provincial Auditor of Saskatchewan released the Report of the Provincial Auditor (the "Report") to the Legislative Assembly of Saskatchewan. This Report set out their conclusions, findings and recommendations pertaining to their special audit of SIGA mentioned above. In summary, the Report stated that SIGA's governance and financial management practices were unacceptable resulting in the improper use of public money. The Report recommends SLGA determine what SIGA expenses are not reasonable and recover that money from the First Nations Trust Fund as provided for by the agreements between FSIN and the province of Saskatchewan.

SLGA determined the amount of expenses that were not considered reasonable. A summary of these expenses is as follows:

Expenses of the CEO	$	855,354
Advertising and promotion		811,639
Consulting payments		268,910
Board expenses		254,629
Travel expenses		107,109
	$	2,297,641

The above amounts include $1,998,730 relating to the periods prior to March 31, 2000 and $298,911 relating to the subsequent period.

Amounts relating to expenses of the CEO for the periods prior to March 31, 2000 have been reclassified out of the consolidated statements of operations and additional accounts receivable in the amount of $680,409 have been recorded. Uncertainty exists related to the ultimate recovery of these amounts and, consequently, SIGA has provided a full allowance against their recovery.

The remaining $1,318,321 in expenses relating to the periods prior to March 31, 2000 are expensed in the consolidated statements of operations. For the expenses relating to the period subsequent to March 31, 2000, SIGA will record an additional account receivable of $174,945 from the former CEO and will expense the remaining $123,966 in the year ending March 31, 2001.

13. Contingencies and subsequent events - continued:

In connection with the special audit, SLGA has also suspended negotiations with SIGA with respect to extension of the Casino Operating Agreement which expires March 31, 2001. There is no assurance the Agreement will be extended beyond March 31, 2001. Pursuant to the Casino Operating Agreement between SLGA and SIGA, in the event the Agreement is not extended, SIGA would be prohibited from further operation of the casinos and all gaming revenues from the date of termination, are to be forwarded to SLGA. Should the Agreement not be extended, the impact on the carrying values of assets and liabilities and obligations under operating leases (note 9) could be material. Any changes to the financial position and results of operation of SIGA that may occur as a result of termination of the Agreement will be accounted for in the period in which management determines that such termination is likely.

Schedule 1

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Schedule of General and Administrative Expenditures

Year ended March 31, 2000, with comparative figures for 1999

	2000	1999
Amortization	$ 4,448,439	$ 2,760,862
Travel and sustenance	908,060	677,051
Occupancy costs and utilities	737,257	742,564
Printing, postage and stationary	616,182	551,718
Legal	271,132	86,582
Telephone	245,696	231,399
Janitorial services and supplies	239,985	178,087
Property taxes	235,928	233,117
Insurance	185,891	163,482
Bank charges	120,623	147,645
Licenses	111,058	94,835
Accounting, audit and related services	48,350	103,198
Freight and delivery	43,749	40,383
Internal controls monitoring	22,511	58,434
Bad debts	3,140	2,000
Miscellaneous	1,276	(25)
	$ 8,239,277	$ 6,071,332

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Schedule of Ancillary Operations

Year ended March 31, 2000, with comparative figures for 1999

	Northern Lights	Gold Eagle	Painted Hand	Eliminations	2000	1999
Revenues:						
Food	$1,165,663	$ 856,734	$ 207,704	$ (58,339)	$2,171,762	$1,512,426
Liquor	886,869	620,176	129,097	–	1,636,142	1,461,369
Cigarettes	306,760	87,438	121,328	–	515,526	367,847
Gift shop	74,500	181,912	88,475	(45,845)	299,042	145,994
Other revenue	2,597	7,453	633	–	10,683	75,721
	2,436,389	1,753,713	547,237	(104,184)	4,633,155	3,563,357
Cost of sales:						
Food	546,120	403,476	92,666	(26,252)	1,016,010	715,242
Liquor	302,823	210,567	47,218	–	560,608	579,465
Cigarettes	230,801	69,977	106,865	–	407,643	318,220
Gift shop	56,157	168,234	73,380	(38,052)	259,719	126,596
	1,135,901	852,254	320,129	(64,304)	2,243,980	1,739,523
Gross margin	1,300,488	901,459	227,108	(39,880)	2,389,175	1,823,834
Expenditures:						
Salaries and benefits	1,426,497	1,090,145	228,988	–	2,745,630	2,000,032
Amortization	100,561	368,625	45,463	–	514,649	287,005
Building rent	128,784	316,815	11,850	–	457,449	424,299
Supplies	100,473	92,399	15,424	–	208,296	67,544
Occupancy costs and utilities	29,215	73,829	4,250	–	107,294	98,196
Uniforms and drycleaning	26,902	32,788	9,126	–	68,816	47,369
Repairs and maintenance	20,838	14,784	2,344	–	37,966	25,213
Equipment rental	4,375	12,505	2,490	–	19,370	53,403
Bank charges	9,172	8,777	–	–	17,949	7,591
Printing, postage and stationary	6,469	1,628	2,305	–	10,402	45,302
General and administration	3,928	3,151	742	–	7,821	9,512
Travel and sustenance	1,651	4,676	558	–	6,885	1,898
Advertising and promotion	1,377	5,145	176	–	6,698	3,365
Other consulting	3,198	1,035	–	–	4,233	21,555
Telephone	–	1,524	43	–	1,567	1,575
Cash over/short	2,903	(1,155)	(334)	–	1,414	(3,579)
Staff training	–	825	300	–	1,125	104
Licenses	600	300	–	–	900	200
Insurance	285	371	124	–	780	2,678
Bad debts	–	–	–	–	–	544
	1,867,228	2,028,167	323,849	–	4,219,244	3,093,806
Deficiency of revenue over expenditures	$ (566,740)	$(1,126,708)	$ (96,741)	$ (39,880)	$(1,830,069)	$ (1,269,972)